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SUMMARY RECORD OF THE 62nd MEETING

Chairman: Mrs. EMERSON (Portugal)
(Vice-Chairman)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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In the absence of Mr. Hadid (Algeria), Mrs. Emerson (Portugal), Vice-Chairman, took the Chair

The meeting was called to order at 10.40 a.m.

AGENDA ITEM 135: FINANCING OF THE UNITED NATIONS TRANSITIONAL AUTHORITY IN CAMBODIA (A/48/701 and Corr.1 and 2 and Add.1, A/48/917)

AGENDA ITEM 174: FINANCING OF THE UNITED NATIONS MILITARY LIAISON TEAM IN CAMBODIA (A/48/800 and Corr.1, A/48/919)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, in his report on the financing of the United Nations Transitional Authority in Cambodia (UNTAC) (A/48/701 and Corr.1 and 2 and Add.1), the Secretary-General had requested an additional appropriation of some $34 million for UNTAC. The Advisory Committee had reviewed that request and had submitted its observations and recommendations in document A/48/917. Unliquidated obligations amounted to $390,707,301 for the period up to the end of the Transitional Authority's completion phase. A breakdown of most of those amounts was contained in paragraph 19 of the Advisory Committee's report. Bearing in mind the unliquidated obligations and also the information that the Advisory Committee had received with respect to miscellaneous income, which amounted to $19,935,871, the Committee had concluded that, at the current stage, a case had not been made for additional appropriations. The Advisory Committee had calculated that the real additional appropriation that might be requested would be $12.6 million rather than $34 million. In paragraph 21 of its report, the Advisory Committee recommended that the General Assembly should appropriate the amount of $236 million gross authorized with the Advisory Committee's prior concurrence. Those amounts had been assessed on Member States. It would also be necessary to appropriate an amount of $100 million gross previously authorized and assessed in accordance with General Assembly decision 48/469.

2. With respect to the Secretary-General's report on the financing of the United Nations Military Liaison Team in Cambodia (A/48/800 and Corr.1), the Advisory Committee's report was contained in document A/48/919. The Advisory Committee concurred with the Secretary-General's request that the General Assembly should appropriate an amount of $910,400 gross ($872,100 net) to cover the period up to 15 May 1994. The Controller should indicate what arrangements might need to be made in the event that the mandate did not expire on 15 May 1994.

3. Mr. TAKASU (Controller) said that, according to the new paragraph 97 of the Secretary-General's report on the financing of UNTAC (A/48/701/Corr.1), the General Assembly at its forty-eighth session would have to appropriate the amount of $236 million gross for the continued operation of UNTAC for the period from 1 May to 31 July 1993; appropriate the amount of $65,660,300 gross to meet the additional requirements of UNTAC for the period from 1 August to 30 September 1993; appropriate the amount of $9,170,600 gross to meet the costs associated with the final liquidation of UNTAC; and apportion an additional amount of $34,358,300 gross to meet the additional requirements of UNTAC,

(Mr. Takasu)

including liquidation costs, taking into consideration the amount of $100 million in gross and net already apportioned in accordance with General Assembly decision 48/469.

4. Out of the $34,358,300, it was necessary to apportion the interest and miscellaneous income amounting to some $20 million. According to paragraph 19 of the Advisory Committee's report (A/48/917), the unliquidated obligations consisted of several elements, such as reimbursement to troop-contributing Governments, contingent-owned equipment, and death and disability payments. It was his understanding that the Advisory Committee considered that some of those obligations would be cancelled. There was therefore no need for an apportionment.

5. In connection with the financing of the United Nations Military Liaison Team in Cambodia, according to the new paragraph 20 of the Secretary-General's report (A/48/800/Corr.1), the General Assembly would have to appropriate the amount of $910,400 gross to meet the cost of the operation for the six-month period from 15 November 1993 to 15 May 1994, inclusive of the amount of $756,500 gross that the Assembly had authorized in its decision 48/480, and to apportion an additional amount of $153,900 gross for the operation of the Military Liaison Team for the period from 15 November 1993 to 15 May 1994.

6. With regard to the possibility of an extension of the Military Liaison Team's mandate, it would be up to the Security Council to take a decision. Since no decision had yet been taken, the Secretary-General had no reason to change the cost estimates contained in his report (A/48/800 and Corr.1).

7. Mr. GOKHALE (India) said that his delegation was seriously concerned about the continuing delays in reimbursements to countries that had contributed troops to UNTAC. Although the operation had wound down and its assets had been transferred to other operations, troop-contributing countries had received payments only up to March 1993. In paragraph 8 of its report (A/48/917), the Advisory Committee noted that the delay in payment to troop-contributing countries represented "the longest delay as compared with other peace-keeping operations". The Fifth Committee must address that critical issue with a view to arriving at an acceptable solution. Continued delays in the reimbursement of troop-contributing countries could have an adverse effect on future peace-keeping operations. The Secretariat should indicate whether it had any specific time-frame in which it intended to make those payments.

8. His delegation was aware that there were large outstanding amounts that had not yet been paid to the UNTAC operation because some Member States had not yet paid their assessed contributions. Those States should pay up at the earliest opportunity in order to facilitate reimbursements to troop-contributors and others. According to paragraph 9 of the Advisory Committee's report, the total outstanding contributions - presumably as at 30 March 1994 - amounted to $273 million. In that connection, the Secretariat should indicate whether any of those outstanding assessed contributions had been paid since that time and, if so, specify the amount. The Secretariat should inform the Committee whether it would be in a position to assure Member States that any payment of assessed

(Mr. Gokhale, India)

contributions that were made after 30 March 1994 would first be used to reimburse troop-contributing countries, and only thereafter used for other purposes.

9. In paragraph 19 of its report (A/48/917), the Advisory Committee made no mention of outstanding payments to vendors and contractors that had supplied services and materials for UNTAC. His delegation was concerned about the possibility that the Secretariat gave greater priority to paying vendors and suppliers than to paying troop-contributing countries. The Secretariat should indicate whether it did so.

10. His delegation had accepted the Advisory Committee's recommendation that the assets of one operation should, after that operation had been completed, be transferred to another operation in order to keep down peace-keeping costs. His delegation had also agreed to the adoption of the practice set out in General Assembly resolution 47/209 B, which dealt with the financing of UNTAC. However, at the time, his delegation had not anticipated the problems that would be faced by troop-contributing countries. Had the amount that had originally been budgeted to the operation been credited to UNTAC, it would have covered a very substantial amount of the payments owed to troop-contributing countries.

11. With regard to paragraphs 11 and 12 of the Advisory Committee's report (A/48/917), his delegation could not accept the proposal made by the Department of Peace-keeping Operations with regard to the death and disability benefits. It was difficult to accept any proposal to pay different amounts of compensation for soldiers who had served side by side in an international peace-keeping operation under United Nations auspices and who were killed or disabled while discharging their duties.

12. Mr. OBLIN (France) said that his delegation associated itself with the statement made by the representative of India. In spite of the serious delays in payments to troop-contributing countries, major financial transfers had been made from UNTAC to other forces. Those transfers, which amounted to $90 million, had been better accounted for in the forces to which they had been transferred than in UNTAC. It was important that such transfers should be accounted for properly at both ends. The first priority was to reimburse troop-contributing countries. The UNTAC operation, which had been exemplary in so many respects, should also be exemplary in its financial aspect.

13. Mr. TAKASU (Controller) said that the significant level of unliquidated obligations under UNTAC, particularly towards Member States, was a matter of grave concern. The balance in the UNTAC Special Account was currently $16 million in cash, but that included resources borrowed from the Peace-keeping Reserve Fund and the special account of the United Nations Transition Assistance Group (UNTAG). The UNTAC account was showing a $47 million deficit, primarily representing outstanding contributions from Member States. Updating the figure quoted by the Indian representative, he said that the balance in the account as at 22 April was $254.2 million.

(Mr. Takasu)

14. The Secretariat was keenly aware of the difficulties of Member States which, on the one hand, were awaiting reimbursement and, on the other hand, were being requested to provide troops for other peace-keeping missions. The Secretariat, and he personally, attached great importance to expediting reimbursement but, unfortunately, UNTAC had a record level of outstanding contributions. Perhaps certain Member States, in the belief that the mission was over, were directing their contributions elsewhere. The financial obligations associated with UNTAC, however, were far from being discharged, and the situation was affecting Member States' willingness to provide fresh troops for other peace-keeping operations.

15. A slight improvement in the level of contributions between the end of March and mid-April had enabled the United Nations to reimburse, for the first time in many months, certain expenses incurred during March 1993. The Organization currently owed $97 million to Member States, and he hoped that those Member States bearing the heaviest burden would understand its position. He echoed the appeal made by the Indian representative to those Member States which had not yet paid their contributions.

16. On the question of priority of payments, he said that "essential payments" included salaries, travel expenses, mission subsistence allowance, and essential services without which UNTAC could not have continued. Anxious as the Secretariat was to reimburse troop-contributing States, those essential payments had had to take precedence.

17. Ms. SAEKI (Japan) said that her delegation, too, was concerned about the reimbursement of troop-contributing Governments. While the largest amount was owed by UNTAC, it was not the only peace-keeping operation with unliquidated obligations. She wondered if, by the time the informal meeting was held the following day, the Secretariat could provide up-to-date information on amounts the United Nations owed to troop-contributing States in respect of all peace-keeping operations.

18. Mr. MERIFIELD (Canada) said that an estimate of outstanding commercial claims would be equally important. Payment of many of those claims had been delayed by internal procedures or was still under discussion. It would be important to make budgetary provisions for the satisfaction of those claims.

AGENDA ITEM 123: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1994-1995 (continued)

Conditions of service for members of the International Court of Justice (A/C.5/48/66 and A/48/7/Add.6)

19. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the report of the Advisory Committee on conditions of service for members of the International Court of Justice (A/48/7/Add.6). The Advisory Committee had reviewed the related report of the Secretary-General (A/C.5/48/66) and had noted that it contained additional information, in accordance with the request the Advisory Committee had made

(Mr. Mselle)

after reviewing previous reports of the Secretary-General on that question. That additional information had been taken into account.

20. The Secretary-General, for the reasons indicated in his report and commented on by the Advisory Committee, was recommending that the emoluments of the members of the Court should be increased by 6.5 per cent, or from $145,000 to $154,425. The Advisory Committee had considered the request at length and had found that careful analysis of the factors described in the report of the Secretary-General and of the additional information provided to the Committee indicated that the strengthening of the United States dollar against the guilder should more than offset the increase in the local cost of living during the period covered by the review. Accordingly, the Advisory Committee had concluded that, at the current stage, there was no need to concur with the Secretary-General's proposal to raise emoluments, and that the current level of $145,000 should be maintained. In that connection, the Advisory Committee recommended that the next review of emoluments should take place in two years; that, in future, emoluments should be reviewed on a biennial basis; and that the current arrangement for protection against currency fluctuations for the emoluments of members of the Court should be maintained (A/48/7/Add.6, para. 5). In view of its position with respect to the emoluments of members of the Court, the Advisory Committee was not proposing any change in the special allowances of the President and Vice-President of the Court or in their pension entitlements (A/48/7/Add.6, paras. 6 and 9).

21. The Advisory Committee recommended acceptance of the Secretary-General's proposal with respect to the education grant. However, it also recommended that the review of the education grant should be conducted within the framework of the next review of the conditions of service of judges, in other words, in two years. In paragraph 10 of its report, the Advisory Committee concurred with the Secretary-General's recommendation concerning additional requirements of $30,000 for the biennium 1994-1995. It also agreed that those additional requirements related to inflation and should not be covered by the resolution on the use and operation of the contingency fund.

AGENDA ITEM 121: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued)

22. The CHAIRMAN drew attention to General Assembly resolution 48/218, section II, paragraph 9, concerning the establishment of an independent entity to enhance oversight functions, in particular with regard to evaluation, audit, investigation and compliance. She believed that the Committee was in a position to take up the issue with a view to reaching an agreement on it.

23. Mrs. GRAHAM (United States of America) said that her delegation was pleased that consideration of the agenda item had been resumed. It would work closely with other Fifth Committee members in order to realize the extremely vital goal of ensuring an independent oversight mechanism.

ORGANIZATION OF WORK

24. Mr. STITT (United Kingdom) expressed concern that the proposed programme of work (A/C.5/48/L.37/Rev.3) did not include an item on the possible apportionment of additional funds to the United Nations Protection Force.

25. Ms. ROTHEISER (Austria) said she shared that concern, and asked if the one-week gap in the June resumed session had anything to do with the availability of documents. Perhaps the Secretariat could prepare a report indicating the status of documentation. Referring to the footnote on the availability of conference-servicing facilities, she stressed that the Main Committees of the General Assembly should be given preference.

26. The CHAIRMAN confirmed that the gap indeed had to do with the availability of documents. She would request the Secretariat to issue a report on the status of documentation.

The meeting rose at 11.35 a.m.